

PX 368

Message

From: [REDACTED]@ripple.com]
Sent: 9/25/2014 9:36:22 AM
To: Chris Larsen [Chris Larsen <[REDACTED]@ripple.com>]
CC: Phillip Rapoport [Phillip Rapoport <[REDACTED]@ripple.com>]; Patrick Griffin [Patrick Griffin <[REDACTED]@ripple.com>]; [REDACTED]
Subject: Re: XRP block trade

Do the simple option. I talked w [REDACTED] last night and he'll be ok w it.

Jed has been soliciting him as well. Let's discuss

On Thursday, September 25, 2014, Chris Larsen <[REDACTED]@ripple.com> wrote:

Yes on moving forward here - the lock up is great. Can use liq for MM, gateway reserves, etc.
Fine on custody - would ultimately want a service to do this - ours or someone else's.
Thanks

Chris

Chris Larsen | CEO
Ripple Labs, Inc.
[REDACTED]@ripple.com | ripple.com

On Sep 25, 2014, at 12:53 AM, Phillip Rapoport <[REDACTED]@ripple.com> wrote:

[REDACTED] has bought a total of \$4mm xrp with a [REDACTED] year lockup and [REDACTED]% discount to spot. (We've agreed on the deal, with final wires coming soon).

Sounds like he can place another \$6mm for a total of \$10mm with the same terms with other institutional buyers -- many of them Chinese funds.

This seems like better terms than I initially thought we could get for the big HF transaction we contemplated. (Most of the NYC funds seemed interested at like a [REDACTED]% discount with a [REDACTED] year lockup).

If it's okay with everyone, I will work with [REDACTED] to get us up to \$10mm total. (Then my hope is we can stop selling XRP for a while to let the price appreciate from market demand).

Please confirm if it's okay to move forward with the trade to get up to \$10mm, [REDACTED]% discount, [REDACTED] year lockup.

We will need to find a good way to administer the lockup. I will speak with [REDACTED] and [REDACTED] to see if [REDACTED] is ready to handle it.

Otherwise it would seem to me that we should custody the funds for 3 years in segregated accounts for the buyers to ensure they cannot sell.

We could alternatively give them the xrp to custody themselves and have a contract specifying terms... But it seems messier to me, since if they break the terms, we don't want to chase them in court. And they also prefer not to have to secure the xrp themselves right now.

A fourth option would be to get [REDACTED] involved with a "xrp investment trust" and pay them [REDACTED]% in management fees to be the broker-dealer custodian and act as a third party to enforce the lockup. This has the added benefit of accelerating [REDACTED] involvement.

To me, the simplest option would be for us to hold the xrp. Or a [REDACTED] solution, though I'm concerned that the buyers may be wary since they won't have the expertise to audit the contract code themselves.

Please let me know your thoughts.

Sent from my iPhone

Begin forwarded message:

From: [REDACTED]<[REDACTED]@[REDACTED].com>
Date: September 25, 2014 at 2:24:31 PM GMT+8
To: [REDACTED]@ripple.com
Subject: more xrp

Phil

Do I have the option to acquire 6mm usd of XRP before year end at [REDACTED]%?

With lock up?

Please advise, I am getting interest thanks

I really hope you are successful, or I am so fired

[REDACTED]